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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	
	:	Chapter 11
SEARS HOLDINGS CORPORATION, <i>et al.</i>,	:	
	:	Case No. 18-23538 (RDD)
	:	
Debtors.¹	:	(Jointly Administered)
-----	X	

**LIMITED RESPONSE OF
TRANSFORM HOLDCO TO THE EMERGENCY
MOTION OF TELUS INTERNATIONAL (U.S.) CORPORATION**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

Transform Holdco LLC (“Transform” or the “Buyer”), the buyer under a certain Asset Purchase Agreement, dated as of January 17, 2019, by and among Sears Holdings Corporation (“SHC”), each of SHC’s subsidiaries party thereto (together with SHC, the “Sellers,” collectively with respect to SHC’s chapter 11 affiliates, the “Debtors,” and together with the Buyer, the “Parties”) and the Buyer (as may be amended, restated, supplemented or modified from time to time, the “APA”), by its undersigned counsel, hereby files a limited response (the “Response”) to the *Emergency Motion of TELUS International (U.S.) Corporation for an Order (I) Lifting the Automatic Stay to Allow it to Terminate Master Outsourced Services Agreement; Or, in the Alternative, (II) Compelling Assumption or Rejection of Executory Contract* [D.I. 3036] (the “TELUS Motion”) filed by TELUS International (U.S.) Corporation (“TELUS”).

In support of this Response, the Buyer respectfully submits as follows:

FACTUAL CORRECTION

1. The TELUS Motion has been mooted on its merits as to Transform, as Transform informed the Debtors that it did not intend to seek assumption and assignment of the TELUS contract, and subsequently the contract was rejected by the Debtors by operation of the *Notice of Rejection of Executory Contracts* [D.I. 3121]. Transform responds to the TELUS Motion only to correct certain factual misstatements contained therein.

2. Specifically, the TELUS Motion purports to describe multiple conversations between representatives of Transform (who are leased to Transform pursuant to an interim lease agreement with the Debtors) and representatives of TELUS. It also purports to describe statements allegedly made by Ronald Donohoe, Division Vice President and Head of Member Services at Transform, to representatives of TELUS. Transform accordingly submits this Response to correct the facts as asserted in the TELUS Motion, to the extent that the TELUS Motion mischaracterizes

representations made by Mr. Donohoe.

3. The TELUS Motion repeatedly alleges that Mr. Donohoe purported to speak on behalf of both the Debtor Sears Holdings Management Corporation (“Sears”) and the Buyer, which allegation is entirely inaccurate. It alleges specifically that Mr. Donohoe “stated that he was speaking on behalf of *both* SEARS and the Buyer” on a call on March 14, 2019 with representatives from TELUS, including Mary Antonette Munoz, Site Lead and Senior Director at TELUS. TELUS Motion at ¶ 8 (emphasis in original). It goes on to allege that on March 21, 2019, Mr. Donohoe “again [spoke] on behalf of both SEARS and the Buyer” and that “Mr. Donohoe made clear that SEARS would no longer honor its obligations under the [contract with TELUS], and that neither the Buyer nor SEARS would pay TELUS any portion of its pre- or post-petition claims.” TELUS Motion at ¶ 9. Instead, Mr. Donohoe was express that as a representative of Transform, he could not and was not speaking on behalf of or making representations as to the commitments of the Debtors.

4. Mr. Donohoe made no such representations on the March 14 or March 21 calls with TELUS, or at any time before or after. *See* Declaration of Ronald Donohoe, submitted as Exhibit A of this Response.

CONCLUSION

5. Transform respectfully requests that this Court take notice of the correction of the record in the TELUS Motion.

Dated: April 11, 2019
New York, New York

/s/ Luke A. Barefoot
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Exhibit A

Declaration of Ronald Donohoe

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	
	:	Chapter 11
SEARS HOLDINGS CORPORATION, et al.,	:	
	:	Case No. 18-23538 (RDD)
	:	
Debtors.¹	:	(Jointly Administered)
-----	X	

**DECLARATION OF RONALD DONOHUE IN SUPPORT OF
TRANSFORM HOLDCO'S RESPONSE TO THE EMERGENCY
MOTION OF TELUS INTERNATIONAL (U.S.) CORPORATION**

I, Ronald Donohoe, declare under penalty of perjury as follows:

1. I am currently Division Vice President and Head of Member Services at Transform Holdco LLC ("Transform"). Prior to Closing, I served in the same role at Sears Holdings Corporation ("SHC").

2. On March 14, 2019, and March 21, 2019, I participated in calls with representatives of TELUS (the "TELUS Calls") regarding the contract between TELUS and Sears Holdings Management Corporation ("Sears" or the "Debtors").

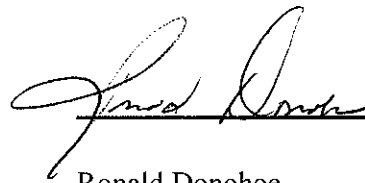
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3. On the TELUS Calls, I did not purport to speak on behalf of both Sears and Transform. I understand that I am an employee of Sears but that my services are being leased to Transform. I have not been authorized to speak for Sears in respect of TELUS or the agreements between TELUS and the Debtors. On the TELUS Calls, I expressly represented that I could not and was not speaking on behalf of the Debtors, or making representations as to the commitments of the Debtors, as I do not have the knowledge or authority to do so.

4. To the extent alleged or asserted otherwise by TELUS, such allegations are manifestly untrue.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge information, and belief.

Respectfully submitted,



Ronald Donohoe